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Testimony before the U.S. Department of Agriculture
2007 Farm Bill
John A. Wagner, DTA Commissioner
October 28, 2005
Boston Public Library

Undersecretary Bost, Deputy Undersecretary Coler and members of the panel:

Good morning and welcome to the Commonwealth of Massachusetts. My name is John Wagner and I am the state's commissioner of the Department of Transitional Assistance, the state welfare agency.

How appropriate to host one of the national public hearings on reauthorization of the Farm Bill here in Boston, and especially in this historically significant public facility, the Boston Public Library. Being the first publicly supported municipal library in the United States, this facility has fed the minds of the public, including many national leaders, for over 155 years.

As the administrator of the Commonwealth's Food Stamp Program, I also want to thank you for inviting me to share with you a glimpse of this important federal program.

Massachusetts is committed to ensuring the nutritional health of our residents. Currently, Massachusetts has the **second largest emergency food purchasing program** in the nation, with a budget of \$6.4 million dollars in this fiscal year. We have also consistently led the nation in **food security** for several years.

The Food Stamp Program is a critical tool in ensuring good nutrition. For over the past two years we have focused on increasing access to and **participation** in the program as our primary goal. Three years ago at this time our caseload stood at approximately 115,000 households. Today, our latest figures show a caseload of almost 200,000 cases—approximately a 70 percent increase!

We are also dedicated to high standards of professionalism in the administration of the Food Stamp Program. We have maintained an outstandingly **low error rate** that is well below the national average. I am especially proud of our **timely case processing** rate for which we were recently awarded a bonus for the second year in a row.

So the experience of Massachusetts is that the state has been able to dramatically increase access to the program, while maintaining high standards in administration—even decreasing our rate of error. This is something many state’s see as a trade-off to increasing participation.

Many of the provisions of Farm Bill 2002 helped to enable us to attain these noteworthy statistics. For example:

- the ability to implement the standard deduction for income determination; and
- the changes in eligibility and benefit determination, such as
 - the mandated standard utility deduction;
 - the homeless shelter/utility expense deduction; and
 - “child support payment as income exclusion” option

These provisions have all had the effect of increasing participation and benefit levels.

In addition, semi-annual reporting has reduced administrative burdens, but more importantly, has facilitated the reporting process for our working poor.

Transitional Food Stamp benefits for households exiting welfare, whereby benefits are maintained at the same level for five months post receipt of cash assistance, has been instrumental in supporting households who otherwise may have thought they were ineligible for these benefits. And this provision has helped to encourage employment, the cornerstone of welfare reform.

The restoration of federal benefits for disabled legal immigrants and legal immigrant children certainly ensures that those most vulnerable among us will not be hungry.

We have also benefited from enhanced funding that has enabled us to partner with other agencies to increase participation, as well as make food stamp applications available online.

We strongly recommend that these provisions of the 2002 Farm Bill be preserved as we move forward with Farm Bill 2007.

Today we continue to look for innovative ways to increase participation while streamlining administrative costs and maintaining our high standards of service in delivering timely, accurate benefits to our families in need.

We believe that **Standardization of the Medical Deduction** is a step in that direction. Our experience with standardized deductions clearly indicates that there is a substantial administrative benefit to this uniformity of policy and procedure. But a much more compelling reason exists for this standardization—to relieve the complicated verification process for our households with elderly or disabled recipients.

Analysis of our caseload indicates that only a fraction of households with elderly or disabled members actually take advantage of this deduction. Additionally, anecdotal evidence from our caseworkers shows that in many instances the households that would benefit the most from this deduction (that is, with the highest out-of-pocket medical expenses) are also the ones **most unable** to gather and submit verifications.

We believe that a standard medical deduction should be applied to the benefit calculation for **all** elderly or disabled households, so that all may benefit from this provision.

On another note, our recent experience with a pilot program leads us to believe there is a relationship between benefit levels and participation.

Working with the Social Security Administration, and with the support of many advocates and political leaders, we have launched our highly successful Combined Application Project, referred to as CAP. In the first phase of CAP, we reached out to approximately 29,000 individuals. Eighty percent of these had been known to the food stamp program before but chose not to participate, perhaps due to a lower benefit level. When they were offered the higher benefit under CAP, most chose to participate. As a result, over 22,000 are now enrolled in the Food Stamp Program via the CAP.

Our experience would suggest that a study be conducted to determine if it is feasible to increase the minimum benefit amount as a means of providing increased incentive for households at this level to participate.

Finally, evidence suggests that the prescriptive rules for administering the work requirement and three-month time limit for Able-Bodied Adults Without Dependents or ABAWDs, may be a deterrent to participation. Massachusetts' Department of Transitional Assistance is dedicated to encouraging and enabling self-sufficiency for all. However, we believe that there may be other more efficient means to achieve this goal.

We recommend that there be a review of the existing ABAWD work requirements and time-limits; and that states such as Massachusetts with progressive employment and training initiatives be allowed the flexibility to implement a state-designed work program that is consistent with our Temporary Assistance to Needy Families or TANF program. Some of our recommendations, for example, would be to allow ABAWDs a 60-day job search at initial application and allow the activity of job search to meet the work requirement.

As you know, the Food Stamp Program is an important benefit in conjunction with the cash benefits we receive under the TANF block grants. States should be given the maximum amount of flexibility to ensure these programs are working together.

Let me end by acknowledging some recent reports coming out of Washington calling for the potential elimination of the "categorical eligibility" provision under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). As you are aware, under this provision, states have been allowed to simplify the eligibility process by relaxing certain food stamp financial rules for families receiving a TANF-funded benefit.

Elimination of such a provision could have a devastating impact on potentially thousands of Massachusetts families. We recommend that this option be included under the reauthorization of the Farm Bill so it can be preserved as a means to provide many working families access to food and nourishment.

The Commonwealth of Massachusetts Department of Transitional Assistance looks forward to continuing our successful relationship with our federal partners in the Northeast Regional Office, and our leadership role in Food Stamp outreach, error prevention, and timeliness. We are confident that the provisions of Farm Bill 2007 will provide the states both the means and the support to complete the mission we all have – to end hunger in this country.

Thank you very much.